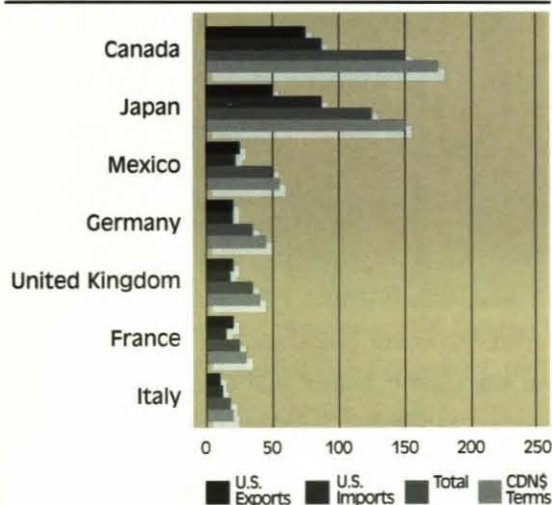


Strongest Links with the U.S. Market
(total trade with the U.S.; U.S. \$
converted into Cdn \$ - 1991, in thousands)

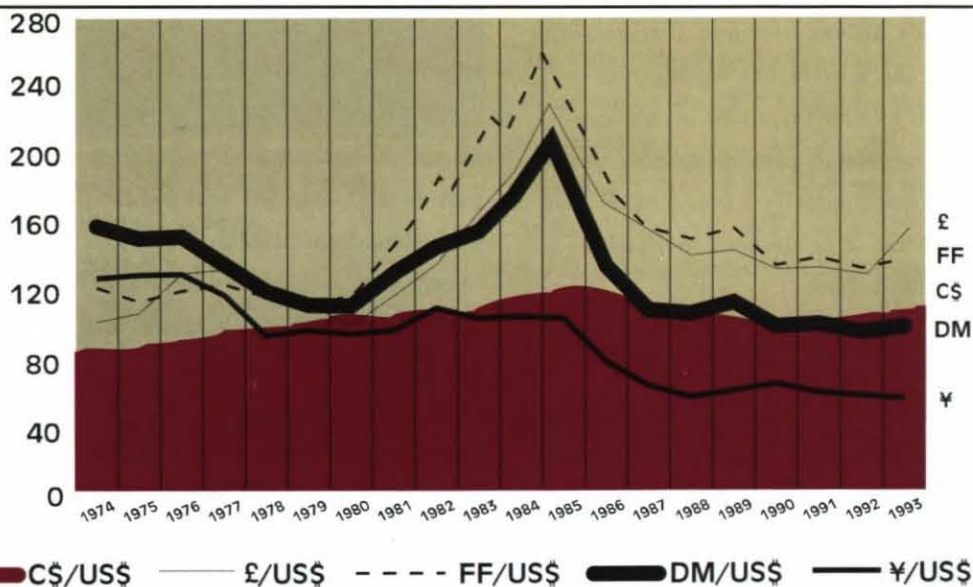


Sources: OECD, Monthly Statistics of Foreign Trade, January 1993;
U.S. Department of Commerce, International Trade Administration.

The NAFTA accord creates even more opportunities for Canadian exporters by opening up the Mexican market in a similar manner. In the future, NAFTA is expected to be expanded to other countries.

Canada's close trading relationship with the U.S., and its sound monetary policy, have helped to ensure that Canadian exchange rates with the U.S. have been more stable than the U.S. dollar values of other major currencies. This stability is an asset to Canadian-based companies that reduces the risks to their export competitiveness.

Canada's Stable Dollar
indexes of exchange rates vs U.S. dollar (value in Jan. 1980 = 100)



Source: Bank of Canada Review.